

Program Brief

USAID Transform WASH



Transforming the Market for WASH Products and Services in Ethiopia



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THE VISION

Together, PSI, SNV, PLAN International, and IRC envision a thriving WASH market in Ethiopia driven by increased consumer demand for and use of affordable products and services, delivered through successful business models and supported by the Government of Ethiopia.

THE APPROACH

To achieve this vision, the USAID Transform WASH project follows a holistic market development approach to increase access to and use of WASH products and services with a focus on improved sanitation. This includes:



Application of commercial marketing techniques to generate demand for affordable, quality WASH products and services



Design and testing of business models to ensure supply of WASH products, services and financing and build a thriving market



Strengthening of the WASH enabling environment through improved management capacity within the Government of Ethiopia and the private sector



Active capturing and sharing of learning to bring new innovations to scale

Understanding The Situation

While Ethiopia has made substantial progress in water and sanitation over the past two decades, significant challenges remain. Approximately 35% of the population lacks access to an improved water source, and only 6% of the population has access to an improved latrine, both major barriers to good health (EDHS 2016). Unhygienic behaviors further intensify the problem. Few affordable WASH product and service options are available in the market for consumers, and WASH is generally not seen as a lucrative business sector. As a result, diarrheal disease continues to be one of the leading causes of death among Ethiopian children under five.



What is USAID Transform WASH?

USAID Transform WASH is a USAID-funded project implemented by PSI in partnership with SNV, Plan International, and IRC WASH. The 5-year project aims to improve WASH outcomes in Ethiopia by increasing access to and sustained use of a broader range of affordable WASH products and services, with a substantial focus on sanitation.

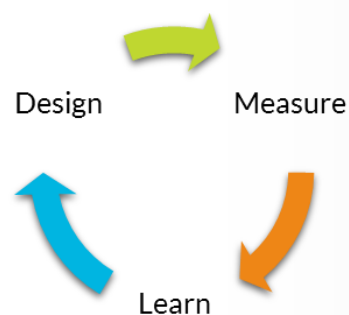
The main objectives of this project are to:

- > Increase demand for low-cost, high quality WASH products and services
- > Increase supply for low-cost, high-quality WASH products and services
- > Increase WASH governance and management capacity at the subnational level
- > Increase the knowledge base to bring WASH innovations to scale

USAID Transform WASH uses extensive consumer and trade market research and stakeholder insights to gain a deep understanding of the barriers to uptake and

use of WASH products and services. Based on its analysis, the project then serves as a market facilitator, influencing demand, supply, and enabling environment components of the market to drive systemic change. USAID Transform WASH employs a cyclical Design-Measure-Learn approach, adapted from the Lean-start-up® methodology.

This approach allows the project to rapidly design, test and learn from prototypes developed to increase demand for WASH products and services and ultimately grow lucrative WASH businesses. The prototype designs and approaches will be improved and expanded based on learnings over the course of the project.



Building sustained demand for wash products and services

USAID Transform WASH uses audience insights gathered through formative research and consumer segmentation to gain a deep understanding of the key constraints households face, as well as their incentives, to adopt and sustain improved WASH behaviors. Based on the research, USAID Transform WASH goes beyond behavior-focused Community-Led Total Sanitation (CLTS) approaches to build and link consumer demand to local supply of improved sanitation products. The project will design marketing strategies to increase value and aspiration for a hygienic lifestyle to facilitate product- and service-based behavior change.

Influencing the supply chain

The supply chain for WASH products and services is highly fragmented in Ethiopia, resulting in limited affordable product options for low-income consumers. Based on a market analysis of WASH supply-chain actors, USAID Transform WASH designs and tests innovative business models that result in better functioning, cost-effective and sustainable supply chains. This includes training and supporting entrepreneurs to adopt new business models as well as creating accessible supply-side financing.

Strengthening the enabling environment

While the Government of Ethiopia (GoE) has established strong WASH policies aimed at improving sanitation in partnership with the private sector, such policies have not been operationalized at scale, and implementation at the woreda level has been challenging. USAID Transform WASH supports the GoE and the OneWASH National Program (OWNP) by providing targeted capacity building to sub-national GoE staff that enables them to manage and sustain WASH activities, especially related to sanitation.

Learning agenda

The Design-Measure-Learn approach followed by USAID Transform WASH comprises short-cycle action research on the demand and supply models being implemented by the project. Evidence and lessons learned are disseminated internally for timely adjustment of project activities and are shared with stakeholders in Ethiopia and with the global WASH community to help guide decision making for sustainable sanitation approaches internationally.

GENDER EQUITY AND TRANSFORM

TRANSFORM interventions are focused on empowering women as decision makers, entrepreneurs, recipients of loans and government actors. Results from a gender analysis help the team apply a gender lens to ensure women's needs are incorporated into design and implementation.